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SUBSTITUTE SENATE BILL 5325

State of Washington 54th Legislature 1995 Regular Session

By Senate Committee on Higher Education (originally sponsored by Senators Rinehart, Bauer, Prince, Pelz, Sheldon, Kohl, Drew and Wood)
Read first time 01/31/95.

- 1 AN ACT Relating to higher education fiscal matters; amending RCW
- 2 28B.15.067, 28B.15.070, 28B.15.100, 28B.50.095, 28B.80.360, 28B.15.740,
- 3 and 43.88.150; reenacting and amending RCW 28B.15.202, 28B.15.402,
- 4 28B.15.502, 28B.15.820, and 28B.15.031; adding a new section to chapter
- 5 28B.15 RCW; creating a new section; repealing RCW 28B.15.076; providing
- 6 an effective date; and declaring an emergency.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 28B.15 RCW 9 to read as follows:
- 10 The legislature finds that, as a partner in financing public higher
- 11 education with students and parents who pay tuition and fees, it is
- 12 important to provide predictability in state support and tuition rates
- 13 as well as affordability for both taxpayers and students. To
- 14 accomplish predictability and affordability in tuition rates, the
- 15 legislature intends that annual changes in tuition rates be based on
- 16 the average per capita income in the state, as predicted by the office
- 17 of economic and revenue forecast. It is the policy of the state that
- 18 general tax support for public postsecondary instruction also change in
- 19 accordance with the forecast of the state's average per capita income.

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- 2 Sec. 101. RCW 28B.15.067 and 1992 c 231 s 4 are each amended to 3 read as follows:
- 4 (1) Tuition fees shall be established and adjusted annually under the provisions of this chapter beginning with the ((1987-88)) 1995-96 5 Such fees shall be identical, subject to other 6 academic year. 7 provisions of this chapter, for students enrolled at either state university, for students enrolled at the regional universities and The 8 9 Evergreen State College and for students enrolled at any community 10 college. ((Tuition fees shall reflect the undergraduate and graduate educational costs of the state universities, the regional universities 11 12 and the community colleges, respectively, in the amounts prescribed in this chapter.))
- 14 (2) Academic year tuition for full-time students at the state's 15 institutions of higher education for the 1994-95 academic year, other than the summer term, shall be as provided in this subsection. 16
- (a) At the University of Washington and Washington State 17 18 University:
- 19 (i) For resident undergraduate students and other resident students not in graduate study programs or enrolled in programs leading to the 20 degrees of doctor of medicine, doctor of dental surgery, and doctor of 21 veterinary medicine, two thousand six hundred fifty-eight dollars; 22
 - (ii) For nonresident undergraduate students and other nonresident students not in graduate study programs or enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, seven thousand nine hundred fifty dollars;
- (iii) For resident graduate and law students not enrolled in 28 29 programs leading to the degrees of doctor of medicine, doctor of dental 30 surgery, and doctor of veterinary medicine, four thousand three hundred seventeen dollars; 31
- (iv) For nonresident graduate and law students not enrolled in 32 33 programs leading to the degrees of doctor of medicine, doctor of dental 34 surgery, and doctor of veterinary medicine, eleven thousand one hundred eighty-seven dollars; 35
- (v) For resident students enrolled in programs leading to the 36 37 degrees of doctor of medicine, doctor of dental surgery, and doctor of 38 veterinary medicine, seven thousand two hundred nine dollars; and

- 1 (vi) For nonresident students enrolled in programs leading to the 2 degrees of doctor of medicine, doctor of dental surgery, and doctor of 3 veterinary medicine, eighteen thousand six hundred eighty-four dollars.
 - (b) At the regional universities and The Evergreen State College:
- 5 <u>(i) For resident undergraduate and all other resident students not</u>
- 6 <u>in graduate study programs, one thousand nine hundred sixty-six dollars</u>
- 7 <u>and fifty cents;</u>

- 8 <u>(ii) For nonresident undergraduate and all other nonresident</u> 9 students not in graduate study programs, seven thousand six hundred
- 10 eighty-four dollars and fifty cents;
- 11 (iii) For resident graduate students, three thousand three hundred
- 12 ten dollars and fifty cents; and
- 13 (iv) For nonresident graduate students, ten thousand six hundred
- 14 forty-five dollars and fifty cents.
- 15 (c) At the community colleges:
- 16 <u>(i) For resident students, one thousand one hundred sixty-five</u>
- 17 dollars and fifty cents; and
- 18 (ii) For nonresident students, four thousand nine hundred sixty-
- 19 three dollars and fifty cents.
- 20 (3) For the 1995-96 academic year and thereafter, the tuition fees
- 21 rates specified in subsection (2) of this section shall be adjusted to
- 22 reflect the forecasted annual change in state personal per capita
- 23 income. Annually by December 15th, the higher education coordinating
- 24 board shall calculate tuition fees rates for the following academic
- 25 year and forecast the tuition fees rates for the next succeeding
- 26 academic year, based on the forecasted annual percentage change in
- 27 state personal per capita income during the fiscal year in which the
- 28 academic year begins, as determined by the economic and revenue
- 29 forecast council under chapter 82.33 RCW.
- 30 (4) The tuition fees established under this chapter shall not apply
- 31 to high school students enrolling in community colleges under RCW
- 32 28A.600.300 through 28A.600.395.
- 33 **Sec. 102.** RCW 28B.15.070 and 1992 c 231 s 5 are each amended to
- 34 read as follows:
- 35 (1) The higher education coordinating board, in consultation with
- 36 the house of representatives and senate committees responsible for
- 37 higher education, the respective fiscal committees of the house of
- 38 representatives and senate, the office of financial management, and the

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- state institutions of higher education, shall develop by December of every fourth year beginning in 1989, definitions, criteria, and procedures for determining the undergraduate and graduate educational costs for the state universities, regional universities, and community colleges ((upon which tuition fees will be based)).
- (2) Every four years, the state institutions of higher education in 6 7 cooperation with the higher education coordinating board shall perform 8 an educational cost study pursuant to subsection (1) of this section. 9 The study shall be conducted based on every fourth academic year 10 beginning with 1989-90. Institutions shall complete the studies within 11 one year of the end of the study year and report the results to the 12 higher education coordinating board for consolidation, review, and 13 distribution.
- 14 (3) In order to conduct the study required by subsection (2) of 15 this section, the higher education coordinating board, in cooperation 16 with the institutions of higher education, shall develop a methodology 17 that requires the collection of comparable educational cost data, which 18 utilizes a faculty activity analysis or similar instrument.
- 19 **Sec. 103.** RCW 28B.15.100 and 1993 sp.s. c 18 s 7 are each amended 20 to read as follows:
 - (1) The governing boards of the state universities, the regional universities, The Evergreen State College, and the community colleges shall charge to and collect from each of the students registering at the particular institution for any quarter or semester such tuition fees and services and activities fees, and other fees as such board shall in its discretion determine. The total of all fees shall be rounded to the nearest whole dollar amount: PROVIDED, That such tuition fees for other than the summer term shall be in the amounts for the respective institutions as otherwise set forth in ((this chapter)) RCW 28B.15.067.
- (2) Part_time students shall be charged tuition and services and 31 32 activities fees proportionate to full_time student rates established for residents and nonresidents: PROVIDED, That students registered for 33 34 fewer than two credit hours shall be charged tuition and services and activities fees at the rate established for two credit hours: PROVIDED 35 36 FURTHER, That, subject to the limitations of RCW 28B.15.910, residents of Idaho or Oregon who are enrolled in community college district 37 number twenty for six or fewer credits during any quarter or semester 38

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- may be exempted from payment of all or a portion of the nonresident tuition fees differential upon a declaration by the higher education coordinating board that it finds Washington residents from the community college district are afforded substantially equivalent treatment by such other states.
- (3) Full-time students registered for more than eighteen credit 6 7 hours shall be charged an additional operating fee for each credit hour 8 in excess of eighteen hours at the applicable established per credit 9 hour tuition fee rate for part-time students: PROVIDED, That, subject 10 to the limitations of RCW 28B.15.910, the governing boards of the state 11 universities and the community colleges may exempt all or a portion of 12 the additional charge, for students who are registered exclusively in 13 first professional programs in medicine, dental medicine, veterinary medicine, or law, or who are registered exclusively in required courses 14 15 in vocational preparatory programs.
- 16 **Sec. 104.** RCW 28B.15.202 and 1993 sp.s. c 18 s 8 and 1993 c 379 s 17 202 are each reenacted and amended to read as follows:
- ((Tuition)) <u>Building</u> fees and maximum services and activities fees at the University of Washington and at Washington State University for other than the summer term shall be as follows:

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- (1) For full_time resident undergraduate students and all other full_time resident students not in graduate study programs or enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, ((the total tuition fees for the 1993-94 academic year shall be thirty-six and three tenths percent and thereafter total tuition fees shall be forty-one and one-tenth percent of the per student undergraduate educational costs at the state universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be one hundred and twenty dollars. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.
- 36 (2) For full_time resident graduate and law students not enrolled 37 in programs leading to the degrees of doctor of medicine, doctor of 38 dental surgery, and doctor of veterinary medicine, ((the total tuition

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fees for the 1993-94 academic year shall be twenty-five and two-tenths 1 percent and thereafter total tuition fees shall be twenty-eight and 2 four tenths percent of the per student graduate educational costs at 3 4 the state universities computed as provided in RCW 28B.15.067 and 5 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be one hundred and twenty dollars. Beginning with the 1995-96 6 7 academic year, the building fee for each academic year shall be a 8 percentage of total tuition fees. This percentage shall be calculated 9 by the higher education coordinating board and be based on the actual 10 percentage the building fee is of total tuition in the 1994-95 academic 11 year, rounded up to the nearest half percent.

(3) For full_time resident students enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, ((the total tuition fees shall be one hundred sixty seven percent of such fees charged in subsection (2) of this section: PROVIDED, That)) the building fees for each academic year shall be three hundred and forty-two dollars. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.

(4) For full_time nonresident undergraduate students and such other full_time nonresident students not in graduate study programs or enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, or doctor of veterinary medicine, ((the total tuition fees for the 1993-94 academic year shall be one hundred nine and three-tenths percent and thereafter total tuition fees shall be one hundred twenty-two and nine-tenths percent of the per student undergraduate educational costs at the state universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be three hundred and fifty-four dollars. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.

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(5) For full_time nonresident graduate and law students not enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, ((the total tuition fees for the 1993-94 academic year shall be sixty five and six tenths percent and thereafter total tuition fees shall be seventy-three and six tenths percent of the per student graduate educational costs at the state universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be three hundred and fifty-four dollars. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.

- (6) For full_time nonresident students enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, ((the total tuition fees shall be one hundred sixty seven percent of such fees charged in subsection (5) of this section: PROVIDED, That)) the building fees for each academic year shall be five hundred and fifty-five dollars. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.
- (7) The governing boards of the state universities shall charge to and collect from each student, a services and activities fee. governing board may increase the existing fee annually, consistent with budgeting procedures set forth in RCW 28B.15.045, by a percentage not to exceed the annual percentage increase in resident undergraduate tuition fees: PROVIDED, That such percentage increase shall not apply to that portion of the services and activities fee previously committed to the repayment of bonded debt. For the 1993-94 academic year, services and activities fees shall not exceed two hundred forty-three dollars per student. For the 1994-95 academic year, services and activities fees shall not exceed two hundred forty-nine dollars per student. The services and activities fee committee provided for in RCW 28B.15.045 may initiate a request to the governing board for a fee increase.

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((Tuition)) <u>Building</u> fees and maximum services and activities fees at the regional universities and The Evergreen State College for other than the summer term shall be as follows:

- (1) For full_time resident undergraduate students and all other full_time resident students not in graduate study programs, ((the total tuition fees for the 1993-94 academic year shall be twenty-seven and seven-tenths percent and thereafter total tuition fees shall be thirty-one and five-tenths percent of the per student undergraduate educational costs at the regional universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be seventy-six dollars and fifty cents. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.
- (2) For full_time resident graduate students, ((the total tuition fees for the 1993-94 academic year shall be twenty five and three-tenths percent and thereafter total tuition fees shall be twenty eight and six tenths percent of the per student graduate educational costs at the regional universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be seventy-six dollars and fifty cents. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.
- (3) For full_time nonresident undergraduate students and all other full time nonresident students not in graduate study programs, ((the total tuition fees for the 1993-94 academic year shall be one hundred nine and four-tenths percent and thereafter total tuition fees shall be one hundred twenty-three percent of the per student undergraduate educational costs at the regional universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be two hundred and ninety-five dollars and

- 1 fifty cents. Beginning with the 1995-96 academic year, the building
- 2 fee for each academic year shall be a percentage of total tuition fees.
- 3 This percentage shall be calculated by the higher education
- 4 coordinating board and be based on the actual percentage the building
- 5 fee is of total tuition in the 1994-95 academic year, rounded up to the
- 6 nearest half percent.
- 7 (4) For full_time nonresident graduate students, (($\frac{\text{the total}}{\text{total}}$
- 8 tuition fees for the 1993-94 academic year shall be eighty-two percent
- 9 and thereafter total tuition fees shall be ninety-two percent of the
- 10 per student graduate educational costs at the regional universities
- 11 computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED,
- 12 That)) the building fees for each academic year shall be two hundred
- 13 and ninety-five dollars and fifty cents. Beginning with the 1995-96
- 14 academic year, the building fee for each academic year shall be a
- 15 percentage of total tuition fees. This percentage shall be calculated
- 16 by the higher education coordinating board and be based on the actual
- 17 percentage the building fee is of total tuition in the 1994-95 academic
- 18 year, rounded up to the nearest half percent.
- 19 (5) The governing boards of each of the regional universities and
- 20 The Evergreen State College shall charge to and collect from each
- 21 student, a services and activities fee. The governing board may
- 22 increase the existing fee annually, consistent with budgeting
- 23 procedures set forth in RCW 28B.15.045, by a percentage not to exceed
- 24 the annual percentage increase in resident undergraduate tuition fees:
- 25 PROVIDED, That such percentage increase shall not apply to that portion
- 26 of the services and activities fee previously committed to the
- 27 repayment of bonded debt. For the 1993-94 academic year, services and
- 28 activities fees shall not exceed two hundred ((eight-four [eighty-
- 29 <u>four</u>))) <u>eighty-four</u> dollars per student. For the 1994-95 academic
- 30 year, services and activities fees shall not exceed two hundred ninety
- 31 dollars per student. The services and activities fee committee
- 32 provided for in RCW 28B.15.045 may initiate a request to the governing
- 33 board for a fee increase.
- 34 Sec. 106. RCW 28B.15.502 and 1993 sp.s. c 18 s 12 and 1993 c 379
- 35 s 204 are each reenacted and amended to read as follows:
- 36 ((Tuition)) Building fees and maximum services and activities fees
- 37 at each community college for other than the summer term shall be set
- 38 by the state board for community and technical colleges as follows:

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(1) For full_time resident students, ((the total tuition fees for the 1993-94 academic year shall be twenty-five and four tenths percent and thereafter total tuition fees shall be twenty-eight and eighttenths percent of the per student educational costs at the community colleges computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be one hundred and twenty-seven dollars and fifty cents. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.

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- (2) For full_time nonresident students, ((the total tuition fees for the 1993-94 academic year shall be one hundred nine and threetenths percent and thereafter total tuition fees shall be one hundred twenty-two and seven tenths percent of the per student educational costs at the community colleges computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That)) the building fees for each academic year shall be four hundred and three dollars and fifty cents. Beginning with the 1995-96 academic year, the building fee for each academic year shall be a percentage of total tuition fees. percentage shall be calculated by the higher education coordinating board and be based on the actual percentage the building fee is of total tuition in the 1994-95 academic year, rounded up to the nearest half percent.
- 26 (3) The governing boards of each of the state community colleges shall charge to and collect from each student a services and activities Each governing board may increase the existing fee annually, consistent with budgeting procedures set forth in RCW 28B.15.045, by a percentage not to exceed the annual percentage increase in resident student tuition fees: PROVIDED, That such percentage increase shall not apply to that portion of the services and activities fee previously committed to the repayment of bonded debt. For the 1993-94 academic year, services and activities fees shall not exceed one hundred twentyeight dollars per student. For the 1994-95 academic year, services and activities fees shall not exceed one hundred thirty-one dollars per 36 student. The services and activities fee committee provided for in RCW 28B.15.045 may initiate a request to the governing board for a fee 38 increase.

- 1 (4) Tuition and services and activities fees consistent with 2 subsection (3) of this section shall be set by the state board for 3 community and technical colleges for summer school students unless the 4 community college charges fees in accordance with RCW 28B.15.515.
- Subject to the limitations of RCW 28B.15.910, each governing board may charge such fees for ungraded courses, noncredit courses, community services courses, and self-supporting courses as it, in its discretion, may determine, consistent with the rules and regulations of the state board for community and technical colleges.
- 10 **Sec. 107.** RCW 28B.50.095 and 1991 c 238 s 36 are each amended to 11 read as follows:
- In addition to other powers and duties, the college board may issue rules and regulations permitting a student to register at more than one community and technical college, provided that such student shall pay tuition and fees as if the student were registered at a single college, but not to exceed tuition and fees charged a full-time student as established ((by RCW 28B.15.502)) under chapter 28B.15 RCW.
- 18 **Sec. 108.** RCW 28B.80.360 and 1990 c 33 s 561 are each amended to 19 read as follows:
- 20 The board shall perform the following administrative 21 responsibilities:
- 22 (1) Administer the programs set forth in the following statutes: 23 RCW 28A.600.100 through 28A.600.150 (Washington scholars); chapter
- 24 28B.04 RCW (displaced homemakers); chapter 28B.85 RCW (degree-granting institutions); RCW 28B.10.210 through 28B.10.220 (blind students
- 26 gubgidy): PCW 28P 10 800 through 28P 10 824 (student financial aid
- 26 subsidy); RCW 28B.10.800 through 28B.10.824 (student financial aid
- 27 program); chapter 28B.12 RCW (work study); RCW 28B.15.067 ((through
- 28 28B.15.076 (educational costs for)) <u>(establishing tuition and fees);</u>
- 29 RCW 28B.15.543 (tuition waivers for Washington scholars); RCW
- 30 28B.15.760 through 28B.15.766 (math and science loans); RCW 28B.80.150
- 31 through 28B.80.170 (student exchange compact); RCW 28B.80.240 (student
- 32 aid programs); and RCW 28B.80.210 (federal programs).
- 33 (2) Study the delegation of the administration of the following:
- 34 RCW 28B.65.040 through 28B.65.060 (high-technology board); chapter
- 35 28B.85 RCW (degree-granting institutions); RCW 28B.80.150 through
- 36 28B.80.170 (student exchange compact programs); RCW 28B.80.200 (state
- 37 commission for federal law purposes); RCW 28B.80.210 (enumerated

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- federal programs); RCW 28B.80.230 (receipt of federal funds); RCW 1 2 28B.80.240 (student financial aid programs); RCW 28A.600.120 through 3 28A.600.150 (Washington scholars); RCW 28B.15.543 4 scholars); RCW 28B.04.020 through 28B.04.110 (displaced homemakers); RCW 28B.10.215 and 28B.10.220 (blind students); RCW 28B.10.790, 5 28B.10.792, and 28B.10.802 through 28B.10.844 (student financial aid); 6 7 RCW 28B.12.040 through 28B.12.070 (student work study); RCW 28B.15.100 8 (reciprocity agreement); RCW 28B.15.730 through 28B.15.736 (Oregon 9 reciprocity); RCW 28B.15.750 through 28B.15.754 (Idaho reciprocity); 10 RCW 28B.15.756 and 28B.15.758 (British Columbia reciprocity); and RCW 28B.15.760 through 28B.15.764 (math/science loans). 11 The board shall report the results of its study and recommendations to the legislature. 12
- NEW SECTION. **Sec. 109.** RCW 28B.15.076 and 1989 c 245 s 4 are each repealed.

15 PART II. TUITION WAIVERS

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16 **Sec. 201.** RCW 28B.15.740 and 1993 sp.s. c 18 s 28 are each amended 17 to read as follows:

(1) Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community colleges may waive all or a portion of tuition and fees ((subject to the following restrictions:

portion of tuition and fees ((subject to the following restrictions: (1) Except as provided in subsection (2) of this section, the total dollar amount of tuition and fee waivers awarded by the governing boards shall not exceed four percent, except for the community colleges considered as a whole, such amount shall not exceed three percent of an amount determined by estimating the total collections from tuition and services and activities fees had no such waivers been made, and deducting the portion of that total amount that is attributable to the difference between resident and nonresident fees: PROVIDED, That at least three fourths of the dollars waived shall be)) for needy students who are eligible for resident tuition and fee rates pursuant to RCW 28B.15.012 and 28B.15.013((: PROVIDED FURTHER, That the remainder of the dollars waived, not to exceed one-fourth of the total, may be applied to)). Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community colleges may waive all

- or portion of tuition and fees for other students at the discretion of 1 the governing boards, except on the basis of participation in 2 intercollegiate athletic programs((: PROVIDED FURTHER, That the 3 4 waivers for undergraduate and graduate students of foreign nations under RCW 28B.15.556 are not subject to the limitation under this 5 section)), not to exceed three-fourths of one percent of gross 6 7 authorized operating fees revenue under RCW 28B.15.910 for the 8 community colleges considered as a whole and not to exceed one percent 9 of gross authorized operating fees revenue for the other institutions of higher education. 10
- (2) In addition to the tuition and fee waivers provided in 11 subsection (1) of this section and subject to the provisions of RCW 12 28B.15.455 ((and)), 28B.15.460, and 28B.15.910, a total dollar amount 13 of tuition and fee waivers awarded by any state university, regional 14 15 university, or state college under this chapter, not to exceed one percent, as calculated in subsection (1) of this section, may be used 16 17 for the purpose of achieving or maintaining gender equity in intercollegiate athletic programs. At any institution that has an 18 19 underrepresented gender class in intercollegiate athletics, any such 20 waivers shall be awarded:
 - (a) First, to members of the underrepresented gender class who participate in intercollegiate athletics, where such waivers result in saved or displaced money that can be used for athletic programs for the underrepresented gender class. Such saved or displaced money shall be used for programs for the underrepresented gender class; and

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(b) Second, (i) to nonmembers of the underrepresented gender class who participate in intercollegiate athletics, where such waivers result in saved or displaced money that can be used for athletic programs for members of the underrepresented gender class. Such saved or displaced money shall be used for programs for the underrepresented gender class; or (ii) to members of the underrepresented gender class who participate in intercollegiate athletics, where such waivers do not result in any saved or displaced money that can be used for athletic programs for members of the underrepresented gender class.

PART III. FINANCIAL AID FUND FOR TECHNICAL COLLEGES

36 **Sec. 301.** RCW 28B.15.820 and 1993 c 385 s 1 and 1993 c 173 s 1 are 37 each reenacted and amended to read as follows:

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- (1) Each institution of higher education((, except technical 1 colleges,)) shall deposit two and one-half percent of revenues 2 3 collected from tuition and services and activities fees in an 4 institutional financial aid fund that is hereby created and which shall be held locally. Moneys in the fund shall be used only for the 5 following purposes: (a) To make guaranteed long-term loans to eligible 6 7 students as provided in subsections (3) through (8) of this section; 8 (b) to make short-term loans as provided in subsection (9) of this 9 section; or (c) to provide financial aid to needy students as provided in subsection (10) of this section. An additional one percent of 10 revenues collected from tuition and services and activities fees shall 11 be deposited by each institution in its institutional financial aid 12 fund and used exclusively for the purposes of subsection (10) of this 13 14 section.
- 15 (2) An "eligible student" for the purposes of subsections (3) 16 through (8) and (10) of this section is a student registered for at 17 least six credit hours or the equivalent, who is eligible for resident 18 tuition and fee rates as defined in RCW 28B.15.012 through 28B.15.013, 19 and who is a "needy student" as defined in RCW 28B.10.802.
 - (3) The amount of the guaranteed long-term loans made under this section shall not exceed the demonstrated financial need of the student. Each institution shall establish loan terms and conditions which shall be consistent with the terms of the guaranteed loan program established by 20 U.S. Code Section 1071 et seq., as now or hereafter amended. All loans made shall be guaranteed by the Washington student loan guaranty association or its successor agency. Institutions are hereby granted full authority to operate as an eligible lender under the guaranteed loan program.
- 29 (4) Before approving a guaranteed long-term loan, each institution 30 shall analyze the ability of the student to repay the loan based on 31 factors which include, but are not limited to, the student's loan burdens education accumulated total and the employment 32 opportunities and average starting salary characteristics of the 33 34 student's chosen fields of study. The institution shall counsel the student on the advisability of acquiring additional debt, and on the 35 availability of other forms of financial aid. 36
- 37 (5) Each institution is responsible for collection of guaranteed 38 long-term loans made under this section and shall exercise due 39 diligence in such collection, maintaining all necessary records to

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insure that maximum repayments are made. Institutions shall cooperate 1 2 with other lenders and the Washington student loan association, or its successor agency, in the coordinated collection of 3 4 guaranteed loans, and shall assure that the guarantability of the loans is not violated. Collection and servicing of guaranteed long-term 5 loans under this section shall be performed by entities approved for 6 7 such servicing by the Washington student loan guaranty association or 8 its successor agency: PROVIDED, That institutions be permitted to 9 perform such servicing if specifically recognized to do so by the 10 Washington student loan quaranty association or its successor agency. Collection and servicing of guaranteed long-term loans made by 11 community and technical colleges under subsection (1) of this section 12 13 shall be coordinated by the state board for community and technical 14 colleges and shall be conducted under procedures adopted by the state 15 board.

- (6) Receipts from payment of interest or principal (([principle])) 16 17 or any other subsidies to which institutions as lenders are entitled, that are paid by or on behalf of borrowers of funds under subsections 18 19 (3) through (8) of this section, shall be deposited in each institution's financial aid fund and shall be used to cover the costs 20 of making the guaranteed long-term loans under this section and 21 maintaining necessary records and making collections under subsection 22 (5) of this section: PROVIDED, That such costs shall not exceed five 23 24 percent of aggregate outstanding loan principal (([principle])). 25 Institutions shall maintain accurate records of such costs, and all 26 receipts beyond those necessary to pay such costs, shall be deposited 27 in the institution's financial aid fund.
 - (7) The governing boards of the state universities, the regional universities, and The Evergreen State College, and the state board for community and technical colleges, on behalf of the community and technical colleges, shall each adopt necessary rules and regulations to implement this section.

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- 33 (8) First priority for any guaranteed long-term loans made under 34 this section shall be directed toward students who would not normally 35 have access to educational loans from private financial institutions in 36 Washington state, and maximum use shall be made of secondary markets in 37 the support of loan consolidation.
- 38 (9) Short-term loans, not to exceed one year, may be made from the 39 institutional financial aid fund to students enrolled in the

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institution. No such loan shall be made to any student who is known by the institution to be in default or delinquent in the payment of any outstanding student loan. A short-term loan may be made only if the institution has ample evidence that the student has the capability of repaying the loan within the time frame specified by the institution for repayment.

7 (10) Any moneys deposited in the institutional financial aid fund 8 that are not used in making long-term or short-term loans may be used 9 by the institution for locally-administered financial aid programs for 10 needy students, such as need-based institutional employment programs or need-based tuition and fee scholarship or grant programs. 11 shall be used in addition to and not to replace institutional funds 12 13 that would otherwise support these locally-administered financial aid programs. First priority in the use of these funds shall be given to 14 needy students who have accumulated excessive educational loan burdens. 15 16 An excessive educational loan burden is a burden that will be difficult 17 to repay given employment opportunities and average starting salaries in the student's chosen fields of study. Second priority in the use of 18 19 these funds shall be given to needy single parents, to assist these 20 students with their educational expenses, including expenses associated with child care and transportation. 21

22 **Sec. 302.** RCW 28B.15.031 and 1993 sp.s. c 18 s 6 and 1993 c 379 s 201 are each reenacted and amended to read as follows:

24 The term "operating fees" as used in this chapter shall include the 25 fees, other than building fees, charged all students registering at the state's colleges and universities but shall not include fees for short 26 27 courses, self-supporting degree credit programs and courses, marine station work, experimental station work, correspondence or extension 28 29 courses, and individual instruction and student deposits or rentals, disciplinary and library fines, which colleges and universities shall 30 have the right to impose, laboratory, gymnasium, health, and student 31 32 activity fees, or fees, charges, rentals, and other income derived from any or all revenue producing lands, buildings and facilities of the 33 34 colleges or universities heretofore or hereafter acquired, constructed or installed, including but not limited to income from rooms, 35 36 dormitories, dining rooms, hospitals, infirmaries, housing or student activity buildings, vehicular parking facilities, land, or the 37 appurtenances thereon, or such other special fees as may be established 38

- 1 by any college or university board of trustees or regents from time to
- 2 time. All moneys received as operating fees at any institution of
- 3 higher education shall be deposited in a local account containing only
- 4 operating fees revenue and related interest((: PROVIDED, That two and
- 5 one-half percent of operating fees shall be retained by the
- 6 institutions, except the technical colleges, for the purposes of)),
- 7 <u>except as provided in RCW 28B.15.820</u>. Local operating fee accounts
- 8 shall not be subject to appropriation by the legislature or allotment
- 9 procedures under chapter 43.88 RCW.

10 PART IV. PRIORITY OF EXPENDITURES

- 11 **Sec. 401.** RCW 43.88.150 and 1991 c 284 s 3 are each amended to 12 read as follows:
- 13 (1) For those agencies that make expenditures from both 14 appropriated and nonappropriated funds for the same purpose, the
- 15 governor shall direct such agencies to charge their expenditures in
- 16 such ratio, as between appropriated and nonappropriated funds, as will
- 17 conserve appropriated funds. <u>This subsection does not apply to</u>
- 18 operating fees revenue, as defined in RCW 28B.15.031, received by the
- 19 state institutions of higher education.
- 20 (2) Unless otherwise provided by law, if state moneys are
- 21 appropriated for a capital project and matching funds or other
- 22 contributions are required as a condition of the receipt of the state
- 23 moneys, the state moneys shall be disbursed in proportion to and only
- 24 to the extent that the matching funds or other contributions have been
- 25 received and are available for expenditure.
- 26 (3) The office of financial management shall adopt guidelines for
- 27 the implementation of this section. The guidelines may account for
- 28 federal matching requirements or other requirements to spend other
- 29 moneys in a particular manner.

30 PART V. MISCELLANEOUS

- 31 <u>NEW SECTION.</u> **Sec. 501.** Part headings as used in this act do not
- 32 constitute any part of the law.
- 33 <u>NEW SECTION.</u> **Sec. 502.** This act is necessary for the immediate
- 34 preservation of the public peace, health, or safety, or support of the

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- 1 state government and its existing public institutions, and shall take
- 2 effect July 1, 1995.

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